

Message Text

CONFIDENTIAL

PAGE 01 STATE 238362
ORIGIN EA-12

INFO OCT-01 EUR-12 ISO-00 SIG-01 CIAE-00 DODE-00 PM-05
H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01
SP-02 SS-15 USIA-06 ACDA-07 AID-05 EB-08 TRSE-00
STR-05 OMB-01 CEA-01 OPIC-03 COME-00 /102 R

DRAFTED BY EA/TIMBS:REFRITTS:LGR
APPROVED BY S:DANDERSON
EA - MR. OAKLEY
S/S:DANDERSON
-----032339 041157Z /45

R 032354Z OCT 77
FM SECSTATE WASHDC
TO AMEMBASSY KUALA LUMPUR
INFO AMEMBASSY BANGKOK
AMEMBASSY JAKARTA
AMEMBASSY MANILA
AMEMBASSY SINGAPORE
AMEMBASSY RANGOON
AMEMBASSY TOKYO
USLO PEKING
AMEMBASSY MOSCOW

C O N F I D E N T I A L STATE 238362

E.O. 11652: GDS

TAGS: PINT, EAID, MASS, ASEAN, TH, MY, US

SUBJECT: SECRETARY'S CONVERSATION WITH MALAYSIAN PRIME
MINISTER HUSSEIN BIN ONN (SEPT 30, 1977)

1. SECRETARY MET IN NEW YORK WITH MALAYSIAN PRIME MINISTER
HUSSEIN, FOREIGN MINISTER RITHAUDDEEN AND OTHER GOM
OFFICIALS. PM HAD PREVIOUSLY MET WITH PRESIDENT (SEPT 27),
VICE PRESIDENT AND DEPUTY SECRETARY AS PART OF OFFICIAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 238362

VISIT TO US. CONVERSATION DID NOT RESULT IN SPECIFIC
FOLLOW-ON COMMITMENTS BY EITHER SIDE. THIS CABLE SUMMARIZES
HIGHLIGHTS OF EXCHANGES ON ASEAN, US POLICY IN ASIA
(INCLUDING RETENTION PHILIPPINE BASES), PM'S CONCERN OVER
APPARENT US POLICY TOWARD THAILAND, MEDIUM TERM PERSPECTIVES
SRV, USSR AND PRC, US PRIVATE INVESTMENT AND FMS PRICING/
TERMS. FULL MEMCON BEING POUCHED EMBASSIES KUALA LUMPUR,

MANILA AND BANGKOK.

2. ASEAN - PM TERMED ASEAN A USEFUL EXPERIMENT IN REGIONAL COOPERATION WHICH HAD NOW IDENTIFIED AREAS OF DEFINITE COOPERATION AFTER YEARS OF GROPING. ALTHOUGH NON-MILITARY AND PLACING A PREMIUM ON ECONOMIC DEVELOPMENT, ASEAN HAD AN "ACCUMULATED CONCERN" FOR LONG-TERM REGIONAL STABILITY AND SECURITY BENEFICIAL TO "ALL" COUNTRIES OF REGION. (IN SUBSEQUENT RESPONSE, SECRETARY STATED US ATTACHES GREAT IMPORTANCE TO ASEAN AND ITS PROGRESS, DESIRES ACT IN "CLOSE HARMONY" WITH ASEAN IN WAYS THAT MEET DESIRES ITS MEMBERS, AND THAT RECENT MANILA DIALOGUE DEMONSTRATES US WISH COOPERATE CONSTRUCTIVELY IN WAYS THAT SUIT ASEAN BEST. WE ALSO WISH RECEIVE ADVICE FROM ASEAN NATIONS).

3. THAILAND - PM NOTED MALAYSIAN CONCERN OVER FUTURE OF THAILAND WHICH HE HAD DISCUSSED (WITH PM THANIN'S APPROVAL) WITH PM FUKUDA AND PRESIDENT CARTER. PM HOPED FOR USG "UNDERSTANDING" TOWARD THAILAND AND THAT "PAST WAS NOT THE CAUSE" FOR "APPARENT US COOLNESS" TOWARD THAILAND. PM THANIN WAS HAVING "DIFFICULT TIME PUTTING COUNTRY TOGETHER" AND IT WAS VERY MUCH IN ASEAN AND MALAYSIAN INTEREST THAT THAILAND BE COOPERATIVE AND STABLE. HE ADDED THAT JAPAN UNDERSTANDS SITUATION WHICH HAD BEEN DISCUSSED AS WELL AT THE ASEAN SUMMIT TALKS. (THE SECRETARY LATER RESPONDED THAT THE US DOES NOT INTEND ANY "COOLNESS" TOWARD THAILAND. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 238362

WE WISH GOOD RELATIONS WITH A STRONG AND CONFIDENT THAILAND WHICH WOULD SERVE THE MUTUAL BENEFIT OF ALL CONCERNED. THE POLICY OF THE PRESIDENT IS TO WORK TOWARD CLOSE AND COOPERATIVE RELATIONS WITH ALL ASEAN MEMBERS.

4. US ASIA POLICY - THE PM NOTED THE "BROAD TERMS" OF THE SECRETARY'S ASIA SOCIETY SPEECH AND ASKED FOR FURTHER VIEWS. THE SECRETARY REPLIED THAT THE PRESIDENT AND HE FULLY SUPPORT PREMISE THAT U.S. IS AND WILL REMAIN AN ASIAN AND PACIFIC POWER. AS EXAMPLE, HE CITED THAT US INTENDS RETAIN PHILIPPINE BASES AND THAT RECENT VISIT TO PRES. MARCOS BY EA ASST SECY HOLBROOKE WAS "VERY SATISFACTORY". SECRETARY HAD ALSO SPOKEN RECENTLY WITH MRS. MARCOS (HEADING GOP UNGA DEL). USG-GOP WILL RESUME FULL DISCUSSIONS TO CONSUMMATE ARRANGEMENTS WHEN NEWLY-APPOINTED AMB NEWSOM ARRIVES IN MANILA THIRD WEEK OF OCTOBER.

5. SRV-USSR-PRC MEDIUM TERM PERSPECTIVES - THE SECRETARY INQUIRED ABOUT PM HUSSEIN'S VIEWS. PM STATED SRV WOULD BE "AS INDEPENDENT AS ANY OTHER STATE" PROVIDED IT WERE NOT "FORCED" AND THAT REGIONAL STATES DID NOT ADOPT AN "ANTAGONISTIC" STANCE TOWARD THE SRV. HOWEVER, THIS ASSESSMENT

ALSO DEPENDED ON FUTURE COURSE AND IMPACT USSR-PRC RELATIONS WHICH WERE UNCERTAIN. HE THEN EXPRESSED CONCERN OVER USSR PRESENCE IN AFRICA AND INDIAN OCEAN, NEED FOR GOM TO REMAIN VIGILANT AND USSR "UNDIPLOMATIC" ACTIVITIES IN MALAYSIA WHICH OCCASIONED FREQUENT GOM PROTESTS. PRC WAS LESS ACTIVE IN MALAYSIA BUT "MORE CLEVER". PM THEN REVIEWED HISTORY MALAYSIAN COMMUNAL PROBLEMS TERMING VAST MAJORITY ETHNIC CHINESE "LOYAL MALAYSIANS" IMPERVIOUS TO PRC SUBVERSION.

6. FOREIGN INVESTMENT - PM NOTED IMPORTANCE FOREIGN PRIVATE INVESTMENT TO MOMENTUM MALAYSIAN AND ASEAN ECONOMIC DEVELOPMENT. HE EXPRESSED CONCERN THAT US POLICIES WERE "RESTRICTING" INVESTMENT AND EXPRESSED HOPE USG "WOULD NOT CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 238362

PREVENT JOINT VENTURES AND OTHER FOREIGN BUSINESS ACTIVITIES." SECRETARY REPLIED US HAD "NO INTENTION" RESTRICTING FREE FLOW OR CHOICE AMERICAN FOREIGN INVESTMENT WHICH HE CONFIDENTLY EXPECT EXPAND TO ASEAN IN YEARS AHEAD. TAX LAWS WOULD HAVE AN EFFECT FROM "TIME TO TIME", BUT WOULD BE DEALT WITH "CAREFULLY". US DID NOT INTEND DISCOURAGE OVERSEAS INVESTMENT -- PARTICULARLY TO ASEAN.

7. SECURITY SALES - PM HOPED US WOULD ASSIST WITH "REASONABLE" PRICING AND TERMS (FMS) FOR MALAYSIAN DEFENSE EQUIPMENT PURCHASES IN US. MALAYSIAN "SPIRIT" WOULD NOT PERMIT GRANT AID. ARMS PURCHASES ARE ELEMENT OF NATIONAL DETERMINATION ("OUR DEFENSE IS OUR LIFE"). SECRETARY NOTED HIS UNDERSTANDING.

8. PM ALSO DETAILED MALAYSIAN HISTORICAL AND CURRENT "VITAL" ECONOMIC DEVELOPMENT POLICIES IN CONTEXT MALAYSIAN STABILITY. SECRETARY OUTLINED CURRENT US AID REVIEW WHICH WILL HOPEFULLY PROVIDE DEFENSIBLE POLICIES WHICH CAN RECEIVE CONGRESSIONAL SUPPORT AND THUS BE EXPANDED. HE ALSO NOTED THE "WHOLE HOST" OF POSSIBILITIES FOR IMPROVING DEVELOPING COUNTRY ECONOMIC WELFARE NOW UNDERWAY IN INTERNATIONAL FORUMS. CHRISTOPHER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, MINISTERIAL MEETINGS, MILITARY AGREEMENTS, MILITARY BASES
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE238362
Document Source: CORE
Document Unique ID: 00
Drafter: REFRITTS:LGR
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770361-0593
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771099/aaaadgfk.tel
Line Count: 159
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 2dcaef37-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1051278
Secure: OPEN
Status: NATIVE
Subject: SECRETARY'S CONVERSATION WITH MALAYSIAN PRIME MINISTER HUSSEIN BIN ONN (SEPT 30, 1977)
TAGS: PINT, EAID, MASS, TH, MY, US, ASEAN, (VANCE, CYRUS R), (HUSSEIN BIN ONN),
To: KUALA LUMPUR
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/2dcaef37-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009